EMPLOYER UPDATE

SPRING 2006 JON S. CORZINE GOVERNOR AVID J. SOCOLOW COMMISSIONER

New Jersey Department of Labor and Workforce Development DAVID J. SOCOLOW

In This Issue

Apply now for competitive grants to train your workers	2
New minimum wage law	
Find the business information you need faster	
Help your business blossom with Labor Market Information	
Independent contractor or employee? Get the facts	
Workers with disabilities, a source of strength for your business	
The information you need about NJ's Temporary Disability Insurance program	

Apply now for competitive grants to train your workers

As a small business owner, you know firsthand the struggle of getting capital to train your workers so your business can grow. As part of his economic growth strategy, New Jersey Gov. Jon Corzine announced a customized training grant plan that targets specific high-growth, high-wage industries. The grants will allow you to upgrade your workers' skills and give your business an advantage in the global marketplace.

New Jersey businesses in those targeted industries can now apply for workforce investment grants to develop industry-specific training for their workers.

To find out if your business is eligible to apply for one of these grants, go to the news release on LWD's home page that outlines the requirements at http://nj.gov/labor/press/2006/0907WorkforceGrowth.htm

Act today! You must submit your completed and signed application by **Friday**, **October 20**, **2006**.

New minimum wage law

On October 1, 2006, the hourly minimum wage increases to \$7.15 per hour, up from the current minimum wage \$6.15 per hour.

Questions about New Jersey's wage and hour laws? Go to www.nj.gov/labor/lsse/lslwhgen.html.

Find the business information you need faster

Governor Jon S. Corzine unveiled a new Web site designed to give New Jersey businesses easier access to the information they need. At www.nj.gov/njbusiness, you will find uncomplicated information that includes guidance on acquiring financial assistance, information for businesses that want to expand in or relocate to New Jersey, and comprehensive listings of commercial development sites.

The Web site, geared toward small businesses, is part of Gov. Corzine's growth strategy to strengthen and grow New Jersey's economy and create a stronger environment for businesses to grow, prosper and create jobs.

Want better business? Use labor market information

Labor market information touches nearly every sector of society. Government leaders use labor market information to project state revenues and expenditures, and to prepare education and training programs that will affect the future of New Jersey's workforce. Job seekers use labor market and career information to focus their work searches on occupations, geographic areas, or industries that are experiencing job growth, and to identify current job openings. Employers like you depend on labor market information to guide decisions about your business location and expansion choices, prepare marketing strategies, assess wage scales, and anticipate future labor market conditions.

Despite the valuable data available, research shows that almost half of the New Jersey employers surveyed are unaware of much of the information and products that are available.

The Office of Labor Planning and Analysis provides the information you need to be competitive and successful in today's economy. At www.state.nj.us/labor/lra, you'll find answers to frequently asked questions such as: What jobs are in demand? What are tomorrow's growth occupations? What do jobs pay in New Jersey? Where is population expanding fastest in the state? You will also find data about employment levels, unemployment rates, wages and earnings, employment projections, training resources, and careers.

Visit www.state.nj.us/labor/lra to access all of the free, reliable labor market information online, or call (609) 633-6434. Selected publications are available in hard copy.

Let us know if we are meeting your needs. Simply click on the "contact us" link at the bottom of the main Web page and send us your feedback.

Misclassifying your workers — is it worth the risk?

Employers who misclassify their workers as independent contractors — beware. The New Jersey Department of Labor and Workforce Development has partnered with the Department of Treasury to crack down on employers who participate in this unlawful practice.

Each year, LWD audits a sampling of New Jersey employers. Audits conducted in 2005 uncovered 26,000 misclassified workers. As a result, offending New Jersey employers owed an additional \$15.6 million in unemployment and disability contributions and will shell out an estimated \$5 million in owed gross income taxes.

Employers misclassify workers when they treat them as independent contractors, rather than employees, to avoid payroll taxes, and to avoid paying premiums for mandatory benefits such as: health, unemployment, workers' compensation, or disability insurance.

Even if you and a worker agree to label his or her status with your company as an independent contractor, the agreement is not automatically legitimate in the eyes of the law.

Misclassifying workers – intentionally or inadvertently – can cost your company big bucks. When discovered, you will face interest charges on unpaid contributions at 1.25 percent per month from the payment due date until repayment, and could possibly face penalties for late filing. Late filing penalties range from \$10 per day from the report due date to \$50 plus 25 percent of contributions owed.

How can you correctly classify your workers? In short, familiarize yourself with state guidelines. To determine whether an individual who performs services for you is an independent contractor, visit www.nj.gov/labor/ea/eafaq.html, and go to question number 16.

You may also call the LWD Division of Employer Accounts at (609) 777-4315.

Employers realizing value of under-tapped labor source

Need qualified workers? You can join the growing number of employers who have discovered the benefits of hiring workers with disabilities. Thousands of workers in this often-overlooked segment of the workforce want to become loyal, productive employees.

The Division of Vocational Rehabilitation Services (DVRS) can help you find jobready, motivated individuals who have the work experience and skills you want. DVRS will fill your job vacancies by prescreening applicants and connecting you with suitable candidates. The division will also work with you to get assistive technology the worker may need to do the job.

Many major companies expressed interest in hiring workers with disabilities at the National Employment and Disability Conference held in Washington, D.C., in August. Among them, DVRS plans to work with Johnson and Johnson, CVS Pharmacy, Wachovia, WaWa, and Microsoft, to name a few.

If you want more information about how to tap into this source of workers, visit www.state.nj.us/labor/dvrs/vrsindex.html; call 1-866-VR1-STOP (1-866-871-7867); or e-mail at dvradmin@dol.state.nj.us.

Free presentations get you up to speed with temporary disability insurance program

Are you a new employer in the state of New Jersey? Are you an established employer with new employees in your human resources office? Would you like to learn more about the Temporary Disability Benefits program? If you answered yes to any of these questions, the Division of Temporary Disability Insurance can help.

The Division of Temporary Disability Insurance conducts free group presentations and individual discussion sessions about New Jersey's Temporary Disability Benefits program. Topics covered include:

- Overview of the Temporary Disability Benefits program
- Description of the claims process
- Disability coverage options
- Role and responsibilities of the employer
- Role and responsibilities of the employee
- Role and responsibilities of the physician
- Explanation of disability forms

Representatives from the Temporary Disability Insurance program give presentations, tailored to meet your specific needs, at your place of business. If you are a smaller employer, you may arrange a one-to-one meeting or a small group session. We can also accommodate larger employers and groups.

Call Christine Benson at (609) 777-0854 to take advantage of these free information sessions. You may also go to the Temporary Disability Insurance Web page, www.state.nj.us/labor/tdi/empconsult.html, to send us your request. Just click on "E-mail the Division."

If you want to learn more about the Temporary Disability Insurance benefits program, but do not need a personal presentation, explore the Temporary Disability Insurance Web page at: www.state.nj.us/labor/tdi/tdiindex.html.